

**UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF OHIO
WESTERN DIVISION**

VALLEY FORGE INSURANCE)	
COMPANY,)	
)	
Plaintiff,)	
)	
-v-)	Civ. Action No. 1:14-cv-00792-MRB
)	
FISHER KLOSTERMAN, INC.,)	
)	
Defendant.)	

DECLARATION OF CARRIE MAYLOR DICANIO

I, Carrie Maylor DiCanio, Esq., declare as follows:

1. I am an attorney at the law firm of Anderson Kill P.C., co-counsel of record for defendant Fisher Klosterman, Inc. ("FKI"). The following is set forth based on my own knowledge.
2. I make this declaration in support of FKI's Opposition to Plaintiff Valley Forge Insurance Company's ("Valley Forge") Motion for Leave to Amend Complaint.
3. Attached hereto as Exhibit 1 is a true and correct copy of a letter from Kathryn Frost, Esq., counsel for Valley Forge, to Carl Maio, Esq., counsel for FKI, dated July 18, 2014.
4. Attached hereto as Exhibit 2 is a true and correct copy of Article VIII of the Asset Purchase Agreement by and between CECO Environmental Corp., FKI Acquisition Corp., and Fisher-Klosterman, Inc., William L. Heumann, Gerald J. Plappert, Jr., and Paul S. Brannick, dated February 20, 2008.

I declare under penalty of perjury that the foregoing is true, and that this
Declaration was executed on the 24th day of March, 2016 in New York, New York.

/s/ Carrie Maylor DiCanio
CARRIE MAYLOR DICANIO

EXHIBIT 1

ELENIUS FROST & WALSH

ATTORNEYS AT LAW

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KATHRYN M. FROST
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July 18, 2014

Via E-Mail and U.S. Mail

Carl Maio, Esq.
Fox Rothschild LLP
Stone Manor Corporate Center
2700 Kelly Road, Suite 300
Warrington, PA 18976

Re: Valero Refineries v. Fisher Klosterman, Inc., et al

Dear Carl:

Over the last few weeks, Fisher Klosterman, Inc. ("FKI") and Valley Forge Insurance Company ("Valley Forge") have discussed the issue of the right of recoupment of past legal costs incurred by Valley Forge, on FKI's behalf, in the defense of the Valero Suit in connection with the upcoming mediation in the Valero Suit.

Valley Forge believes that the contracts between Valtech and FKI require Valtech to pay for the costs incurred in defense of the Valero Suit. In addition, under our interpretation of the Asset Purchase Agreement between FKI and BFK, Valley Forge believes that BFK bears some responsibility for the past legal costs incurred in defending the Valero Suit.

As you further are aware, Valley Forge has taken the position that at the end of the day, a determination may be made that Valley Forge had no duty to defend FKI in the Valero Suit in the first instance and can recover all of the defense costs incurred to date from FKI. If this is the case, the right to recover against Valtech and BFK is FKI's rights. On the other hand, if it is determined that Valley Forge did have a duty to defend and cannot recoup its costs from FKI, the right to recover those past defense costs against Valtech and BFK is Valley Forge's right.

Although we have worked together with FKI over the last few weeks in an attempt to reach a consensus as to how to handle the past defense costs at the mediation, we did not reach an agreement. We therefore have informed FKI, Valtech and BFK's insurers that the past legal costs will not be at issue at the July 29, 2014 mediation. Those rights/ costs will be carved out of

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Carl Maio, Esq.
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any settlement at the mediation and the responsibility as to those costs will be addressed after the mediation.

Currently, pursuant to the Valley Forge policy, the right to recoup the past costs from Valtech and BFK is Valley Forge's right. Specifically, the Valley Forge policy states:

8. Transfer Of Rights Of Recovery Against Others To Us

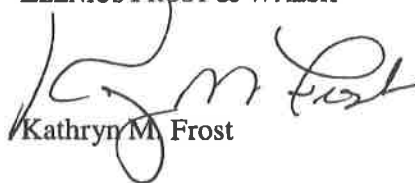
If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us to help us enforce those rights.

We remind FKI that it is not authorized and cannot negotiate, waive, or settle the rights to the past legal costs without Valley Forge's prior consent.

Please let us know if you have any questions regarding the above.

Very truly yours,

ELENIUS FROST & WALSH



Kathryn M. Frost

EXHIBIT 2

**DOCUMENT FILED UNDER SEAL
PURSUANT TO COURT ORDER**